



Where ideas connect

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Division of Air Quality

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Title V Operating Permit

PERMIT NUMBER: 1900026001

DATE OF PERMIT: September 28, 2000

Date of Last Revision: September 24, 2002

This Operating Permit is issued to, and applies to the following:

Name of Permittee:

Canyon Gas Resources Incorporated
8080 N Central Expwy
Suite 900
Dallas, TX 75206

Permitted Location:

San Arroyo Plant
SE/4 NW/4 Sec. 23, T16S, R25E
Westwater, UT 84515

UTM coordinates: 4,362,661 meters Northing, 661,457 meters Easting
SIC code: 1321

ABSTRACT

The San Arroyo Plant receives, compresses, and processes wellhead gas into pipeline natural gas and natural gas liquids. The plant includes three compressors, two generators, one triethylene glycol (TEG) dehydrator, one ethylene glycol dehydrator, and various storage tanks. Over half of the emission units were in existence prior to November 29, 1969, and are not required to submit a notice of intent or have an approval order. All combustion sources are fired on natural gas, except the TEG dehydrator which combusts natural gas and the non-condensable portion of the regenerator vent stream. The San Arroyo Plant is a major source of NO_x.

UTAH AIR QUALITY BOARD

By:

Richard W. Sprott, Executive Secretary

Prepared By:

Dave Hansell

Operating Permit History

9/28/2000 - Permit issued	Action initiated by an initial operating permit application	
7/1/2002 -Permit modified	Action initiated by a significant operating permit modification	Remove dehydrator inlet gas temperature as a trigger for VOC and HAP emissions calculation with GRI-GLYCalc. Change prompt from 7 to 14 days. Change opacity monitoring for Hot Oil Heater from once per quarter to document use of pipeline-quality natural gas only.
9/24/2002 -Permit modified	Action initiated by an administrative amendment (initiated by DAQ)	Revise operating permit to add a compressor engine to San Arroyo Plant. The compressor requirements are included in DAQE-AN0268005-02.

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Issued under authority of Utah Code Ann. Section 19-2-104 and 19-2-109.1, and in accordance with Utah Administrative Code R307-415 Operating Permit Requirements.

All definitions, terms and abbreviations used in this permit conform to those used in Utah Administrative Code R307-101 and R307-415 (Rules), and 40 Code of Federal Regulations (CFR), except as otherwise defined in this permit. Unless noted otherwise, references cited in the permit conditions refer to the Rules.

Where a permit condition in Section I, General Provisions, partially recites or summarizes an applicable rule, the full text of the applicable portion of the rule shall govern interpretations of the requirements of the rule. In the case of a conflict between the Rules and the permit terms and conditions of Section II, Special Provisions, the permit terms and conditions of Section II shall govern except as noted in Provision I.M, Permit Shield.

Section I: General Provisions

I.A. Federal Enforcement.

All terms and conditions in this permit, including those provisions designed to limit the potential to emit, are enforceable by the EPA and citizens under the Clean Air Act of 1990 (CAA) except those terms and conditions that are specifically designated as "State Requirements". (R307-415-6b)

I.B. Permitted Activity(ies).

Except as provided in R307-415-7b(1), the permittee may not operate except in compliance with this permit. (See also Provision I.E, Application Shield)

I.C. Duty to Comply.

- I.C.1 The permittee must comply with all conditions of the operating permit. Any permit noncompliance constitutes a violation of the Air Conservation Act and is grounds for any of the following: enforcement action; permit termination; revocation and reissuance; modification; or denial of a permit renewal application. (R307-415-6a(6)(a))
- I.C.2 It shall not be a defense for a permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of this permit. (R307-415-6a(6)(b))
- I.C.3 The permittee shall furnish to the Executive Secretary, within a reasonable time, any information that the Executive Secretary may request in writing to determine whether cause exists for modifying, revoking and reissuing, or terminating this permit or to determine compliance with this permit. Upon request, the permittee shall also furnish to the Executive Secretary copies of records required to be kept by this permit or, for information claimed to be confidential, the permittee may furnish such records directly to the EPA along with a claim of confidentiality. (R307-415-6a(6)(e))
- I.C.4 This permit may be modified, revoked, reopened, and reissued, or terminated for cause. The filing of a request by the permittee for a permit modification, revocation and reissuance, or termination, or of a notification of planned changes or anticipated noncompliance shall not stay

any permit condition, except as provided under R307-415-7f(1) for minor permit modifications. (R307-415-6a(6)(c))

I.D. Permit Expiration and Renewal.

I.D.1 This permit is issued for a fixed term of five years and expires on September 28, 2005. (R307-415-6a(2))

I.D.2 Application for renewal of this permit is due by March 28, 2005. An application may be submitted early for any reason. (R307-415-5a(1)(c))

I.D.3 An application for renewal submitted after the due date listed in I.D.2 above shall be accepted for processing, but shall not be considered a timely application and shall not relieve the permittee of any enforcement actions resulting from submitting a late application. (R307-415-5a(5))

I.D.4 Permit expiration terminates the permittee's right to operate unless a timely and complete renewal application is submitted consistent with R307-415-7b (see also Provision I.E, Application Shield) and R307-415-5a(1)(c) (see also Provision I.D.2). (R307-415-7c(2))

I.E. Application Shield.

If the permittee submits a timely and complete application for renewal, the permittee's failure to have an operating permit will not be a violation of R307-415, until the Executive Secretary takes final action on the permit renewal application. In such case, the terms and conditions of this permit shall remain in force until permit renewal or denial. This protection shall cease to apply if, subsequent to the completeness determination required pursuant to R307-415-7a(3), and as required by R307-415-5a(2), the applicant fails to submit by the deadline specified in writing by the Executive Secretary any additional information identified as being needed to process the application. (R307-415-7b(2))

I.F. Severability.

In the event of a challenge to any portion of this permit, or if any portion of this permit is held invalid, the remaining permit conditions remain valid and in force. (R307-415-6a(5))

I.G. Permit Fee.

I.G.1 The permittee shall pay an annual emission fee to the Executive Secretary consistent with R307-415-9. (R307-415-6a(7))

I.G.2 The emission fee shall be due on October 1 of each calendar year or 45 days after the source receives notice of the amount of the fee, whichever is later. (R307-415-9(4)(a))

I.H. No Property Rights.

This permit does not convey any property rights of any sort, or any exclusive privilege. (R307-415-6a(6)(d))

I.I. Revision Exception.

No permit revision shall be required, under any approved economic incentives, marketable permits, emissions trading and other similar programs or processes for changes that are provided for in this permit. (R307-415-6a(8))

I.J. Inspection and Entry.

I.J.1 Upon presentation of credentials and other documents as may be required by law, the permittee shall allow the Executive Secretary or an authorized representative to perform any of the following:

I.J.1.a Enter upon the permittee's premises where the source is located or emissions related activity is conducted, or where records are kept under the conditions of this permit. (R307-415-6c(2)(a))

I.J.1.b Have access to and copy, at reasonable times, any records that must be kept under the conditions of this permit. (R307-415-6c(2)(b))

I.J.1.c Inspect at reasonable times any facilities, equipment (including monitoring and air pollution control equipment), practice, or operation regulated or required under this permit. (R307-415-6c(2)(c))

I.J.1.d Sample or monitor at reasonable times substances or parameters for the purpose of assuring compliance with this permit or applicable requirements. (R307-415-6c(2)(d))

I.J.2 Any claims of confidentiality made on the information obtained during an inspection shall be made pursuant to Utah Code Ann. Section 19-1-306. (R307-415-6c(2)(e))

I.K. Certification.

Any application form, report, or compliance certification submitted pursuant to this permit shall contain certification as to its truth, accuracy, and completeness, by a responsible official as defined in R307-415-3. This certification shall state that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate, and complete. (R307-415-5d)

I.L. Compliance Certification.

I.L.1 Permittee shall submit to the Executive Secretary an annual compliance certification, certifying compliance with the terms and conditions contained in this permit, including emission limitations, standards, or work practices. This certification shall be submitted no later than **January 1, 2001** and that date each year following until this permit expires. The certification shall include all the following (permittee may cross-reference this permit or previous reports): (R307-415-6c(5))

I.L.1.a The identification of each term or condition of this permit that is the basis of the certification;

I.L.1.b The identification of the methods or other means used by the permittee for determining the compliance status with each term and condition during the certification period, and whether such methods or other means provide continuous or intermittent data. Such

methods and other means shall include, at a minimum, the monitoring and related recordkeeping and reporting requirements in this permit. If necessary, the permittee also shall identify any other material information that must be included in the certification to comply with section 113(c)(2) of the Act, which prohibits knowingly making a false certification or omitting material information;

- I.L.1.c The status of compliance with the terms and conditions of the permit for the period covered by the certification, based on the method or means designated in Provision I.L.1.b. The certification shall identify each deviation and take it into account in the compliance certification. The certification shall also identify as possible exceptions to compliance any periods during which compliance is required and in which an excursion or exceedance as defined under 40 CFR Part 64 occurred; and
- I.L.1.d Such other facts as the Executive Secretary may require to determine the compliance status.
- I.L.2 The permittee shall also submit all compliance certifications to the EPA, Region VIII, at the following address or to such other address as may be required by the Executive Secretary: (R307-415-6c(5)(d))

Office of Enforcement, Compliance and Environmental Justice
(mail code 8ENF)
EPA, Region VIII
999 18th Street, Suite 300
Denver, CO 80202-2466

I.M. Permit Shield.

- I.M.1 Compliance with the provisions of this permit shall be deemed compliance with any applicable requirements as of the date of this permit, provided that:
- I.M.1.a Such applicable requirements are included and are specifically identified in this permit, or (R307-415-6f(1)(a))
- I.M.1.b Those requirements not applicable to the source are specifically identified and listed in this permit. (R307-415-6f(1)(b))
- I.M.2 Nothing in this permit shall alter or affect any of the following:
- I.M.2.a The emergency provisions of Utah Code Ann. Section 19-1-202 and Section 19-2-112, and the provisions of the CAA Section 303. (R307-415-6f(3)(a))
- I.M.2.b The liability of the owner or operator of the source for any violation of applicable requirements under Utah Code Ann. Section 19-2-107(2)(g) and Section 19-2-110 prior to or at the time of issuance of this permit. (R307-415-6f(3)(b))
- I.M.2.c The applicable requirements of the Acid Rain Program, consistent with the CAA Section 408(a). (R307-415-6f(3)(c))

I.M.2.d The ability of the Executive Secretary to obtain information from the source under Utah Code Ann. Section 19-2-120, and the ability of the EPA to obtain information from the source under the CAA Section 114. (R307-415-6f(3)(d))

I.N. Emergency Provision.

I.N.1 An “emergency” is any situation arising from sudden and reasonably unforeseeable events beyond the control of the source, including acts of God, which situation requires immediate corrective action to restore normal operation, and that causes the source to exceed a technology-based emission limitation under this permit, due to unavoidable increases in emissions attributable to the emergency. An emergency shall not include noncompliance to the extent caused by improperly designed equipment, lack of preventive maintenance, careless or improper operation, or operator error. (R307-415-6g(1))

I.N.2 An emergency constitutes an affirmative defense to an action brought for noncompliance with such technology-based emission limitations if the affirmative defense is demonstrated through properly signed, contemporaneous operating logs, or other relevant evidence that:

I.N.2.a An emergency occurred and the permittee can identify the causes of the emergency. (R307-415-6g(3)(a))

I.N.2.b The permitted facility was at the time being properly operated. (R307-415-6g(3)(b))

I.N.2.c During the period of the emergency the permittee took all reasonable steps to minimize levels of emissions that exceeded the emission standards, or other requirements in this permit. (R307-415-6g(3)(c))

I.N.2.d The permittee submitted notice of the emergency to the Executive Secretary within two working days of the time when emission limitations were exceeded due to the emergency. This notice must contain a description of the emergency, any steps taken to mitigate emissions, and corrective actions taken. This notice fulfills the requirement of Provision I.S.2.c below. (R307-415-6g(3)(d))

I.N.3 In any enforcement proceeding, the permittee seeking to establish the occurrence of an emergency has the burden of proof. (R307-415-6g(4))

I.N.4 This emergency provision is in addition to any emergency or upset provision contained in any other section of this permit. (R307-415-6g(5))

I.O. Operational Flexibility.

Operational flexibility is governed by R307-415-7d(1).

I.P. Off-permit Changes.

Off-permit changes are governed by R307-415-7d(2).

I.Q. Administrative Permit Amendments.

Administrative permit amendments are governed by R307-415-7e.

I.R. **Permit Modifications.**

Permit modifications are governed by R307-415-7f.

I.S. **Records and Reporting.**

I.S.1 Records.

I.S.1.a The records of all required monitoring data and support information shall be retained by the permittee for a period of at least five years from the date of the monitoring sample, measurement, report, or application. Support information includes all calibration and maintenance records, all original strip-charts or appropriate recordings for continuous monitoring instrumentation, and copies of all reports required by this permit. (R307-415-6a(3)(b)(ii))

I.S.1.b For all monitoring requirements described in Section II, Special Provisions, the source shall record the following information, where applicable: (R307-415-6a(3)(b)(i))

I.S.1.b.1 The date, place as defined in this permit, and time of sampling or measurement.

I.S.1.b.2 The date analyses were performed.

I.S.1.b.3 The company or entity that performed the analyses.

I.S.1.b.4 The analytical techniques or methods used.

I.S.1.b.5 The results of such analyses.

I.S.1.b.6 The operating conditions as existing at the time of sampling or measurement.

I.S.1.c Additional record keeping requirements, if any, are described in Section II, Special Provisions.

I.S.2 Reports.

I.S.2.a Monitoring reports shall be submitted to the Executive Secretary every six months, or more frequently if specified in Section II. All instances of deviation from permit requirements shall be clearly identified in the reports. (R307-415-6a(3)(c)(i))

I.S.2.b All reports submitted pursuant to Provision I.S.2.a shall be certified by a responsible official in accordance with Provision I.K of this permit. (R307-415-6a(3)(c)(i))

I.S.2.c The Executive Secretary shall be notified promptly of any deviations from permit requirements including those attributable to upset conditions as defined in this permit, the probable cause of such deviations, and any corrective actions or preventative measures taken. **Prompt, as used in this condition, shall be defined as written notification within 14 days.** Deviations from permit requirements due to unavoidable breakdowns shall be reported in accordance with the provisions of R307-107. (R307-415-6a(3)(c)(ii))

I.S.3 Notification Addresses.

I.S.3.a All reports, notifications, or other submissions required by this permit to be submitted to the Executive Secretary are to be sent to the following address or to such other address as may be required by the Executive Secretary:

Utah Division of Air Quality
P.O. Box 144820
Salt Lake City, UT 84114-4820
Phone: 801-536-4000

I.S.3.b All reports, notifications or other submissions required by this permit to be submitted to the EPA should be sent to one of the following addresses or to such other address as may be required by the Executive Secretary:

For annual compliance certifications

Environmental Protection Agency, Region VIII
Office of Enforcement, Compliance and
Environmental Justice (mail code 8ENF)
999 18th Street, Suite 300
Denver, CO 80202-2466

For reports, notifications, or other correspondence
related to permit modifications, applications, etc.

Environmental Protection Agency, Region VIII
Office of Partnerships & Regulatory Assistance
Air & Radiation Program (mail code 8P-AR)
999 18th Street, Suite 300
Denver, CO 80202-2466
Phone: 303-312-6440

I.T. **Reopening for Cause.**

I.T.1 A permit shall be reopened and revised under any of the following circumstances:

I.T.1.a New applicable requirements become applicable to the permittee and there is a remaining permit term of three or more years. No such reopening is required if the effective date of the requirement is later than the date on which this permit is due to expire, unless the terms and conditions of this permit have been extended pursuant to R307-415-7c(3), application shield. (R307-415-7g(1)(a))

I.T.1.b The Executive Secretary or EPA determines that this permit contains a material mistake or that inaccurate statements were made in establishing the emissions standards or other terms or conditions of this permit. (R307-415-7g(1)(c))

I.T.1.c EPA or the Executive Secretary determines that this permit must be revised or revoked to assure compliance with applicable requirements. (R307-415-7g(1)(d))

I.T.1.d Additional applicable requirements are to become effective before the renewal date of this permit and are in conflict with existing permit conditions. (R307-415-7g(1)(e))

I.T.2 Proceedings to reopen and issue a permit shall follow the same procedures as apply to initial permit issuance and shall affect only those parts of this permit for which cause to reopen exists. (R307-415-7g(2))

I.U. **Inventory Requirements.**

I.U.1 An emission inventory shall be submitted in accordance with the procedures of R307-150, Emission Inventories. (R307-150)

I.U.2 A Hazardous Air Pollutant Inventory shall be submitted in accordance with the procedures of R307-155, Hazardous Air Pollutant Inventory. (R307-155)

Section II: SPECIAL PROVISIONS

II.A. Emission Unit(s) Permitted to Discharge Air Contaminants.

(R307-415-4(3)(a) and R307-415-4(4))

II.A.1 Best Available Control Technology Units (designated as BACT)

Unit Description: Emission units that were not in existence prior to November 29, 1969, and emission units that have made modifications or relocations since November 29, 1969. These emission units include C3, D2, T4103, and T8.

II.A.2 Inlet Gas Compressor #1 (designated as C1)

Unit Description: Pre-November 29, 1969, compressor for inlet field gas, approx. 1000-hp, fired on natural gas. No unit-specific applicable requirements.

II.A.3 Inlet Gas Compressor #2 (designated as C2)

Unit Description: Pre-November 29, 1969, compressor for inlet field gas, approx. 1000-hp, fired on natural gas. No unit-specific applicable requirements.

II.A.4 Outlet Gas Compressor #3 (designated as C3)

Unit Description: One pipeline quality natural gas-fired compressor rated at 1111-hp fitted with a non-selective catalytic converter and an automatic air/fuel controller.

II.A.5 Generator #1 (designated as G1)

Unit Description: Pre-November 29, 1969, generator for local electrical power, driven by approx. 434-hp engine, fired on natural gas. No unit-specific applicable requirements.

II.A.6 Generator #2 (designated as G2)

Unit Description: Pre-November 29, 1969, generator for local electrical power, driven by approx. 434-hp engine, fired on natural gas. No unit-specific applicable requirements.

II.A.7 Hot Oil Heater (designated as H1)

Unit Description: Pre-November 29, 1969, heater for hot oil circulation, approx 2.5 MMBtu/hr, fired on natural gas.

II.A.8 V102 Dehydrator (designated as D1)

Unit Description: Pre-November 29, 1969, ethylene glycol dehydrator rated at approx. 10.8 MMscfd. Regenerator vent is uncontrolled. Heat for regeneration supplied by Hot Oil Heater (see unit H1).

II.A.9 Sales Gas Dehydrator (designated as D2)

Unit Description: Triethylene glycol dehydrator rated at 10.8 MMscfd. Regenerator vent is controlled by the benzene, toluene, ethyl benzene, and xylene (BTEX) eliminator (J1). Includes a heater rated at 500,000 Btu/hr fired on pipeline-quality natural gas and non-condensable portion of regeneration vent stream.

II.A.10 Sales Gas Dehydrator - BTEX Eliminator (designated as J1)

Unit Description: The Sales gas dehydrator (D2) still vent stream is passed through an exchanger to condense vapors. Uncondensed vapors are then burned in the Sales gas dehydrator reboiler. No unit-specific applicable requirements.

II.A.11 Condensate Storage Tank (designated as T4101)

Unit Description: Pre-November 29, 1969, approx 210 bbl tank for condensate storage. No unit-specific applicable requirements.

II.A.12 Condensate Storage Tank (designated as T4102)

Unit Description: Pre-November 29, 1969, approx 300 bbl tank for condensate storage. No unit-specific applicable requirements.

II.A.13 Condensate Storage Tank (designated as T4103)

Unit Description: Approx 244 bbl tank for condensate storage tank with fixed roof.

- II.A.14 **Lube Oil Storage Tank** (designated as T501)
Unit Description: Pre-November 29, 1969, approx 6500 gallon tank for lube oil storage.
No unit-specific applicable requirements.
- II.A.15 **Gasoline Storage Tank** (designated as T2)
Unit Description: Pre-November 29, 1969, approx 1500 gallon tank for gasoline storage.
No unit-specific applicable requirements.
- II.A.16 **NGL Storage Tank** (designated as T3)
Unit Description: Pre-November 29, 1969, approx 18000 gallon tank for storage of
natural gas liquids. No unit-specific applicable requirements.
- II.A.17 **Anti-Freeze Storage Tank** (designated as T6)
Unit Description: Pre-November 29, 1969, approx 500 gallon anti-freeze storage tank. No
unit-specific applicable requirements.
- II.A.18 **Water Storage Tank** (designated as T7)
Unit Description: Pre-November 29, 1969, approx 300 bbl tank for water storage. No
unit-specific applicable requirements.
- II.A.19 **Methanol Storage Tank** (designated as T8)
Unit Description: Two approx 500 gallon tanks for methanol storage. No unit-specific
applicable requirements.
- II.A.20 **Drain Sump Storage Tank** (designated as T9)
Unit Description: Pre-November 29, 1969, drain sump storage tank. No unit-specific
applicable requirements.
- II.A.21 **Compressor Oil Storage Tank** (designated as T10)
Unit Description: Pre-November 29, 1969, approx 500 gallon compressor oil storage
tank. No unit-specific applicable requirements.

II.B. **Requirements and limitations.**

The following emission limitations, standards, and operational limitations apply to the permitted facility as indicated: (R307-415-6a(1))

II.B.1 **Conditions on permitted source (Source-wide)**

II.B.1.a **Condition:**

A Risk Management Plan (RMP) developed in accordance with 40 CFR Part 68 shall be submitted to the United States Environmental Protection Agency not later than the applicable date in 40 CFR 68.. [Authority granted under 40 CFR 68; condition originated in 40 CFR 68]

II.B.1.a.1 **Monitoring:**

A copy of the Risk Management Plan shall be available upon request along with a copy of the transmittal letter to EPA.

II.B.1.a.2 **Recordkeeping:**

A copy of the Risk Management Plan shall be available to the Executive Secretary upon request along with a copy of the transmittal letter to EPA.

II.B.1.a.3 **Reporting:**

There are no reporting requirements for this provision except those specified in Section I of this permit.

II.B.2 **Conditions on Best Available Control Technology Units (BACT)**

II.B.2.a **Condition:**

At all times, including periods of startup, shutdown, and malfunction, the permittee shall, to the extent practicable, maintain and operate any affected emission units, including associated air pollution control equipment, in a manner consistent with good air pollution control practice for minimizing emissions. Determination of whether acceptable operating and maintenance procedures are being used will be based on information available to the Executive Secretary which may include, but is not limited to, monitoring results, opacity observations, review of operating and maintenance procedures, and inspection of the source. [Authority granted under R307-401-5; condition originated in DAQE-AN0268005-02]

II.B.2.a.1 **Monitoring:**

Records required for this permit condition will serve as monitoring.

II.B.2.a.2 **Recordkeeping:**

Permittee shall document activities performed to assure proper operation and maintenance. Records shall be maintained in accordance with Provision I.S.1 of this permit.

II.B.2.a.3 **Reporting:**

There are no reporting requirements for this provision except those specified in Section I of this permit.

II.B.3 **Conditions on Outlet Gas Compressor #3 (C3)**

II.B.3.a **Condition:**

Visible emission shall be no greater than 10 percent opacity. [Authority granted under R307-401-6(1) [BACT]; condition originated in DAQE-AN0268005-02]

II.B.3.a.1 **Monitoring:**

In lieu of monitoring via visible emission observations, fuel usage shall be monitored to demonstrate that only pipeline-quality natural gas is being used as fuel.

II.B.3.a.2 **Recordkeeping:**

Results of monitoring shall be maintained in accordance with Provision I.S.1 of this permit.

II.B.3.a.3 **Reporting:**

There are no reporting requirements for this provision except those specified in Section I of this permit.

II.B.3.b **Condition:**

If a continuous program of construction, installation, modification, relocation or establishment is not proceeding eighteen months after the issuance date of the subject approval order, the Executive Secretary may revoke the subject approval order. [Authority granted under R307-401-11; condition originated in DAQE-AN0268005-02]

II.B.3.b.1

Monitoring:

Records required for this permit condition will serve as monitoring.

II.B.3.b.2

Recordkeeping:

As applicable, the permittee shall maintain a copy of each notification required by this permit condition in accordance with Provision I.S.1 of this permit.

II.B.3.b.3

Reporting:

In addition to the reporting requirements specified in Section I of this permit, the permittee shall notify the Executive Secretary in writing eighteen months after the issuance date of the subject approval order if construction, installation, modification, relocation or establishment is not complete. The notification shall document the status of construction, installation, modification, relocation or establishment and provide a schedule for installation, modification, relocation or establishment. The permittee shall also notify the Executive Secretary in writing when the affected process unit is operational.

II.B.3.c

Condition:

Emissions of NO_x shall be no greater than 4.89 lbs/hour. [Authority granted under R307-401-6(1) [BACT]; condition originated in DAQE-AN0268005-02]

II.B.3.c.1

Monitoring:

Stack testing shall be performed as specified below:

(a) Testing Frequency

(1) Initial compliance testing is required. The initial test shall be performed as soon as possible and in no case later than 180 days after the initial start up of the affected emission unit.

(2) Test every five years using 40 CFR 60, Appendix A, Method 7, 7A, 7B, 7C, 7D or 7E or every two years with a portable testing monitor. If portable testing monitor is to be used, a correlation must be established during the initial test between the portable testing monitor and Method 7, 7A, 7B, 7C, 7D or 7E.

(b) Notification

The Executive Secretary shall be notified at least 30 days prior to conducting any required emission testing. A source test protocol shall be submitted to DAQ when the testing notification is submitted to the Executive Secretary.

(d) Methods

(1) Sample Location

The emission point shall be designed to conform to the requirements of 40 CFR 60, Appendix A, Method 1, or other methods as approved by the Executive Secretary. An Occupational Safety and Health Administration (OSHA) approved access shall be provided to the test location

(2) Volumetric Flow Rate

40 CFR 60, Appendix A, Method 2 or 40 CFR 60, Appendix A, Method 19 based on the fuel flow determined by fuel gas meter and exhaust gas O₂ concentration.

(3) Oxides of Nitrogen (NO_x)

40 CFR 60, Appendix A, Method 7, 7A, 7B, 7C, 7D or 7E must be used for the initial test. After performing the initial test, a portable NO_x monitor may be used in lieu of Method 7, 7A, 7B, 7C, 7D or 7E provided the requirements of (a.2) are met. If the requirements of (a.2) are not met, Method 7, 7A, 7B, 7C, 7D or 7E must be used for subsequent tests.

(e) Calculations

To determine mass emission rates (lb/hr, etc.) the pollutant concentration as determined by the appropriate methods above shall be multiplied by the volumetric flow rate and any necessary conversion factors determined by the Executive Secretary, to give the results in the specified units of the emission limitation.

(f) Production Rate During Testing. The production rate during all compliance testing shall be no less than 90% of the maximum production achieved in the previous three (3) years.

II.B.3.c.2

Recordkeeping:

Results of monitoring shall be maintained in accordance with Provision I.S.1 of this permit.

II.B.3.c.3

Reporting:

In addition to the reporting requirements of Section I of this permit, the permittee shall submit the results of the stack tests to the Executive Secretary within 60 days of completion of the testing. Results shall clearly identify test results as compared to permit limits and indicate compliance status.

II.B.3.d

Condition:

Emissions of CO shall be no greater than 7.34 lbs/hour. [Authority granted under R307-401-6(1) [BACT]; condition originated in DAQE-AN0268005-02]

II.B.3.d.1

Monitoring:

Stack testing shall be performed as specified below:

(a) Testing Frequency

(1) Initial compliance testing is required. The initial test shall be performed as soon as possible and in no case later than 180 days after the initial start up of the affected emission unit.

(2) Test every five years using 40 CFR 60, Appendix A, Method 10 or every two years with a portable testing monitor. If portable testing monitor is to be

used, a correlation must be established during the initial test between the portable testing monitor and Method 10.

(b) Notification

The Executive Secretary shall be notified at least 30 days prior to conducting any required emission testing. A source test protocol shall be submitted to DAQ when the testing notification is submitted to the Executive Secretary.

(d) Methods

(1) Sample Location

The emission point shall be designed to conform to the requirements of 40 CFR 60, Appendix A, Method 1, or other methods as approved by the Executive Secretary. An Occupational Safety and Health Administration (OSHA) approved access shall be provided to the test location

(2) Volumetric Flow Rate

40 CFR 60, Appendix A, Method 2 or 40 CFR 60, Appendix A, Method 19 based on the fuel flow determined by fuel gas meter and exhaust gas O₂ concentration.

(3) Carbon Monoxide (CO)

40 CFR 60, Appendix A, Method 10 must be used for the initial test. After performing the initial test, a portable CO monitor may be used in lieu of Method 10 provided the requirements of (a.2) are met. If the requirements of (a.2) are not met, Method 10 must be used for subsequent tests.

(e) Calculations

To determine mass emission rates (lb/hr, etc.) the pollutant concentration as determined by the appropriate methods above shall be multiplied by the volumetric flow rate and any necessary conversion factors determined by the Executive Secretary, to give the results in the specified units of the emission limitation.

(f) Production Rate During Testing. The production rate during all compliance testing shall be no less than 90% of the maximum production achieved in the previous three (3) years.

II.B.3.d.2

Recordkeeping:

Results of monitoring shall be maintained in accordance with Provision I.S.1 of this permit.

II.B.3.d.3

Reporting:

In addition to the reporting requirements of Section I of this permit, the permittee shall submit the results of the stack tests to the Executive Secretary within 60 days of completion of the testing. Results shall clearly identify test results as compared to permit limits and indicate compliance status.

II.B.3.e

Condition:

For each compressor, the permittee shall comply with the requirements of 40 CFR 60.482-3, as soon as practicable, but no later than 180 days after initial startup of the affected process unit, or demonstrate that the compressor is neither in VOC service nor in wet gas service or is a reciprocating compressor in wet gas service. [Authority granted under 40 CFR 60.632(a) and (f); condition originated in 40 CFR 60 Subpart KKK]

II.B.3.e.1

Monitoring:

For each compressor, the permittee shall:

- a. demonstrate compliance with the requirements of 40 CFR 60.482-3 within 180 days of initial startup of the affected process unit and comply with the monitoring requirements of 40 CFR 60.482-3 after the initial compliance demonstration; or
- b. demonstrate that the compressor is neither in VOC service nor in wet gas service or is a reciprocating compressor in wet gas service using the test methods and procedures in 40 CFR 60.485(a), (d), and (f) except as modified by 40 CFR 60.632(f)

Compliance with 40 CFR 60.482-3 will be determined by review of records and reports, review of performance test results and inspection using the methods and procedures specified in 40 CFR 60.485(a - c).

II.B.3.e.2

Recordkeeping:

For compressors, except those compressors where it is demonstrated that the compressor is neither in VOC service nor in wet gas service or is a reciprocating compressor in wet gas service, the permittee shall comply with the recordkeeping requirements of 40 CFR 60.486(a - c), (e), (h) and (k). For compressors, the permittee shall also comply with the recordkeeping requirements of 40 CFR 60.486(j), 40 CFR 60.635(c) and any additional recordkeeping requirements in Section I.S.1 of this permit.

II.B.3.e.3

Reporting:

For compressors, except those compressors where it is demonstrated that the compressor is neither in VOC service nor in wet gas service or is a reciprocating compressor in wet gas service, the permittee shall comply with the reporting requirements of 40 CFR 60.487(a - c), and (e). For compressors, the permittee shall also comply with the reporting provisions contained in Section I of this permit.

II.B.3.f

Condition:

The permittee shall combust only pipeline quality natural gas. [Authority granted under R307-401-6(1) [BACT]; condition originated in DAQE-AN0268005-02]

II.B.3.f.1

Monitoring:

Fuel usage shall be monitored to demonstrate that only pipeline-quality natural gas is being used as fuel.

II.B.3.f.2 **Recordkeeping:**
Results of monitoring shall be maintained in accordance with Provision I.S.1 of this permit.

II.B.3.f.3 **Reporting:**
There are no reporting requirements for this provision except those specified in Section I of this permit.

II.B.4 **Conditions on Hot Oil Heater (H1)**

II.B.4.a **Condition:**
Visible emissions shall be no greater than 40 percent opacity. [Authority granted under R307-305-1(1); condition originated in R307-305]

II.B.4.a.1 **Monitoring:**
In lieu of monitoring via visible emission observations, fuel usage shall be monitored to demonstrate that only pipeline-quality natural gas is used as fuel.

II.B.4.a.2 **Recordkeeping:**
Results of monitoring shall be maintained in accordance with Provision I.S.1 of this permit.

II.B.4.a.3 **Reporting:**
There are no reporting requirements for this provision except those specified in Section I of this permit.

II.B.5 **Conditions on V102 Dehydrator (D1)**

II.B.5.a **Condition:**
Visible emissions shall be no greater than 40 percent opacity from the regenerator vent. [Authority granted under R307-305-1(1); condition originated in R307-305]

II.B.5.a.1 **Monitoring:**
An opacity observation of each affected emission unit shall be performed on a quarterly basis by an individual trained on the observation procedures of 40 CFR 60, Appendix A, Method 9. If visible emissions other than steam are observed from an emission unit, an opacity determination of that emission unit shall be performed by a certified observer within 24 hours of the initial survey. The opacity determination shall be performed in accordance with 40 CFR 60 Appendix A, Method 9.

II.B.5.a.2 **Recordkeeping:**
Records of visual observations performed and data required by 40 CFR 60, Appendix A, Method 9 for each determination shall be maintained in accordance with Provision I.S.1 of this permit.

II.B.5.a.3 **Reporting:**
There are no reporting requirements for this provision except those specified in Section I of this permit.

II.B.6 **Conditions on Sales Gas Dehydrator (D2)**

II.B.6.a **Condition:**

Visible emissions shall be no greater than 10 percent opacity from the heater combustion vent. [Authority granted under R307-401-6(1) [BACT]; condition originated in DAQE-AN0268005-02]

II.B.6.a.1 **Monitoring:**

An opacity observation of each affected emission unit shall be performed on a quarterly basis by an individual trained on the observation procedures of 40 CFR 60, Appendix A, Method 9. If visible emissions other than steam are observed from an emission unit, an opacity determination of that emission unit shall be performed by a certified observer within 24 hours of the initial survey. The opacity determination shall be performed in accordance with 40 CFR 60 Appendix A, Method 9.

II.B.6.a.2 **Recordkeeping:**

Records of visual observations performed and data required by 40 CFR 60, Appendix A, Method 9 for each determination shall be maintained in accordance with Provision I.S.1 of this permit.

II.B.6.a.3 **Reporting:**

There are no reporting requirements for this provision except those specified in Section I of this permit.

II.B.6.b **Condition:**

Emissions of VOC from the affected unit shall not exceed 3.1 tons per rolling 12-month period. Emissions of HAPs from the affected unit shall not exceed 1.0 tons per rolling 12-month period. [Authority granted under R307-401-6(1) [BACT]; condition originated in DAQE-AN0268005-02]

II.B.6.b.1 **Monitoring:**

The affected emission unit glycol circulation rate (gpm), and inlet gas throughput (MMscfd) and pressure (psig) shall be measured and recorded daily. The affected emission unit inlet gas benzene, toluene, ethyl benzene, and total xylene concentrations (ppmv) shall be determined at least quarterly using standard laboratory analysis.

The monthly average value of each of the daily parameters shall be calculated for each calendar month by the twentieth day of the following month. If the monthly average values of each parameter for the previous 12 months and the results of the gas analyses for the previous 12 months meet all of the following criteria, the permittee may consider the units to be in compliance with the HAP and VOC emission limitations:

- *Glycol circulation rate is less than 5 gallons per minute,
- *Benzene concentration less than 160 ppmv,
- *Toluene concentration less than 160 ppmv,
- *Ethyl benzene concentration less than 50 ppmv, and
- *Total xylene concentration less than 50 ppmv.

If any of the above criteria are not met based on the monthly averages and gas analyses for the previous 12 months, GRI-GLYCalc 3.0 or higher model runs shall be made by the twenty-fifth day of the current month to determine HAP and VOC emissions for the affected emission unit for each month in the previous 12 months. The GRI-GLYCalc 3.0 or higher model runs for each month shall be made using the associated monthly averages for each daily parameter and the most recent gas composition analysis. Compliance with the HAP emission limitation shall be determined by adding the monthly HAP emission estimates for the previous 12 months. Compliance with the VOC emission limitation shall be determined by adding the monthly VOC emission estimates for the previous 12 months.

II.B.6.b.2

Recordkeeping:

Results of monitoring shall be maintained in accordance with Provision I.S.1 of this permit.

II.B.6.b.3

Reporting:

There are no reporting requirements for this provision except those specified in Section I of this permit.

II.B.6.c

Condition:

The permittee shall combust only pipeline quality natural gas and the non-condensable portion of the regenerator vent stream. [Authority granted under R307-401-6(1) [BACT]; condition originated in DAQE-AN0268005-02]

II.B.6.c.1

Monitoring:

Fuel usage, except the non-condensable portion of the regenerator vent stream, shall be monitored to demonstrate that only pipeline quality natural gas is combusted.

II.B.6.c.2

Recordkeeping:

Results of monitoring shall be maintained in accordance with Provision I.S.1 of this permit.

II.B.6.c.3

Reporting:

There are no reporting requirements for this provision except those specified in Section I of this permit.

II.B.7

Conditions on Condensate Storage Tank (T4103)

II.B.7.a

Condition:

The permittee shall keep readily accessible records showing the dimensions of the storage vessel and an analysis showing the capacity of the storage vessel. These records shall be kept for the life of the source. [Authority granted under 40 CFR 60.116b(b); condition originated in 40 CFR 60 Subpart Kb]

II.B.7.a.1

Monitoring:

Records required for this permit condition will serve as monitoring.

II.B.7.a.2

Recordkeeping:

A copy of the required records shall be maintained and made available to the Executive Secretary upon request.

II.B.7.a.3

Reporting:

There are no reporting requirements for this provision except those specified in Section I of this permit.

II.C. Emissions Trading.

(R307-415-6a(10))

Not applicable to this source.

II.D. Alternative Operating Scenarios.

(R307-415-6a(9))

Not applicable to this source.

Section III: PERMIT SHIELD

The following requirements have been determined to be not applicable to this source in accordance with Provision I.M, Permit Shield:

III.A. 40 CFR, Part 60, Subpart LLL (NSPS/ SO₂ emissions, Natural Gas Plants)

This regulation is not applicable to the permitted source (Source-wide) because the permitted source does not have any sweetening units.

III.B. 40 CFR, Part 60, Subpart KKK (NSPS/ VOC leaks, Natural Gas Plants)

This regulation is not applicable to the permitted source (Source-wide) because the BTEX eliminator (J1) installed after January 20, 1984, is not a modification under 40 CFR 60.14.

III.C. 40 CFR, Part 60, Subparts K, Ka, Kb (NSPS/ Volatile Organic Liquid Storage Vessels)

These regulations are not applicable to tanks T4101, T4102, T501, T2, T3, T6, T7, T8, T9 and T10 because they were installed before 1973 and/or have a design capacity < 40 m³.

III.D. 40 CFR, Part 63, Subparts HH and HHH (MACT/ HAP emissions, Natural Gas Transmission/Production Plants)

These regulations are not applicable to the permitted source (Source-wide) because the permitted source is not a major source of hazardous air pollutants.

Section IV: ACID RAIN PROVISIONS.

This source is not subject to Title IV. This section is not applicable.

REVIEWER COMMENTS

This operating permit incorporates all applicable requirements contained in the following documents:

DAQE-AN0268005-02

dated September 06, 2002

1. Comment on an item originating in DAQE-AN0268005-02 regarding Best Available Control Technology Units (Unit BACT)

Requirements for BACT Units: Four emission units (Outlet Gas Compressor, Sales gas dehydrator, Condensate storage tank, and methanol storage tank) at the permitted source have been either modified or installed after November 29, 1969. As required by R307-401-6(1) and R307-401-5, the degree of pollution control for emissions from these units is at least Best Available Control Technology (BACT) and the units must be adequately and properly maintained. The units which have not been modified or installed after November 29, 1969, or the grandfather units, are not subject to the BACT and maintenance requirements. Therefore, the operation and maintenance condition is not an applicable requirement for the grandfathered units. Additionally, the grandfathered combustion sources are not required to burn pipeline-quality natural gas. [Comment last updated on 9/11/2002]

2. Comment on an item originating in DAQE-AN0268005-02 regarding Outlet Gas Compressor #3 (Unit C3)

CO and NO_x Emission Limit Units: CO and NO_x emission limits in the subject AO for the subject emission unit are expressed as tons per year. These limits were calculated from the lbs per hour emission rates provided in the notice of intent assuming year around operation or 8,760 hours of operation per year. The monitoring in the subject AO includes one stack test every five years or portable monitoring every two years. This monitoring is designed to demonstrate compliance with an hourly emission limit and not a yearly emission limit. Therefore, to make the emission limits enforceable, the emission limits in this permit are expressed as lbs per hour which as described above was the basis of the tons per year NO_x and CO emission limits. The Division of Air Quality plans to revise the tons per year emission limits to lbs per hour the next time the AO modified. [Comment last updated on 9/17/2002]